

SENATE BILL NO. 224

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-SECOND LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Introduced: 2/23/22

Referred: Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the Alaska marine highway system fund; relating to the budget**
2 **reserve fund established under art. IX, sec. 17(d), Constitution of the State of Alaska;**
3 **relating to the Alaska higher education investment fund; and providing for an effective**
4 **date."**

5 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

6 * **Section 1.** AS 19.65.060(a) is amended to read:

7 (a) There is created, as a **separate fund** [SPECIAL ACCOUNT] in the **state**
8 **treasury** [GENERAL FUND], the Alaska marine highway system fund, into which
9 shall be deposited

10 (1) the gross revenue of the Alaska marine highway system;

11 (2) money that is appropriated to the Alaska marine highway system
12 fund by the legislature in an amount that is consistent from year to year and is the
13 amount necessary, after consideration of gross revenue, to provide stable services to
14 the public consistent with the provisions of AS 19.65.050(b)(4), which appropriations

are not one-year appropriations and the balances of which do not lapse under AS 37.25.010; and

(3) any other money that is appropriated to the Alaska marine highway system fund by the legislature, which appropriations are not one-year appropriations and the balances of which do not lapse under AS 37.25.010.

* **Sec. 2.** AS 37.10 is amended by adding a new section to read:

Sec. 37.10.440. Repayment under art. IX, sec. 17(d), Constitution of the State of Alaska. For purposes of applying art. IX, secs. 17(d), Constitution of the State of Alaska, if the amount appropriated from the budget reserve fund has not been repaid under art. IX, sec. 17(d), Constitution of the State of Alaska, the Department of Administration shall transfer to the budget reserve fund the amount of money comprising the unreserved, undesignated general fund balance to be carried forward as of June 30 of the fiscal year, or as much of it as is necessary to complete the repayment. The transfer shall be made on or before December 16 of the following fiscal year. In this section,

(1) "general fund" means the primary operating fund of the state, consisting of subaccounts in the general fund and all other money paid into the state treasury that is not specifically authorized by law to be placed in a separate fund;

(2) "unreserved, undesignated general fund balance to be carried forward" is money not restricted by law to a specific use that accrues to the general fund according to accepted principles of governmental or fund accounting adopted for the state accounting system established under AS 37.05.150 in effect on July 1, 1990.

* **Sec. 3.** AS 37.14.750(a) is amended to read:

(a) The Alaska higher education investment fund is established **as a separate fund** in the **state treasury** [GENERAL FUND] for the purpose of making grants awarded under AS 14.43.400 - 14.43.420 by appropriation to the account established under AS 14.43.915(a) and of making scholarship payments to qualified postsecondary institutions for students under AS 14.43.810 - 14.43.849 by appropriation to the account established under AS 14.43.915(b). Money in the fund does not lapse. The fund consists of

(1) money appropriated to the fund;

- 1 (2) income earned on investment of fund assets;
- 2 (3) donations to the fund; and
- 3 (4) money redeposited under AS 14.43.915(c).
- 4 * **Sec. 4.** AS 37.10.420 is repealed.
- 5 * **Sec. 5.** This Act takes effect June 30, 2022.